



NEWS RELEASE

FOR IMMEDIATE RELEASE
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BUSH MEDICAID PLAN SPELLS BAD NEWS FOR PEOPLE LIVING WITH HIV/AIDS

New York, NY – The Bush Administration's "sweeping new plan" to reform Medicaid would undermine the nation's response to the HIV/AIDS epidemic, according to Gay Men's Health Crisis (GMHC), the world's most experienced and comprehensive non-profit AIDS organization. On Friday, January 31, Tommy G. Thompson, Secretary of the U.S. Department of Health and Human Services, said: "The time to modernize Medicaid is here. (...) We need to bring the same clear-eyed spirit of innovation to Medicaid that we brought to welfare." The Bush Medicaid Plan encourages states to eliminate coverage for some HIV+ Medicaid beneficiaries altogether, while reducing it for others through overall caps on services, increased cost-sharing and elimination or reduction of "optional" benefits like prescription drugs, physical therapy, dental care, tuberculosis prevention, home health, and case management. According to Ana Oliveira, Executive Director of GMHC, "In New York, President Bush's "clear-eyed" Medicaid plan would descend like a dark cloud on the 65,000 men, women and children living with HIV/AIDS covered under this program."

In New York, like in states around the country, Medicaid covers the majority of people living with HIV/AIDS, and as such is the backbone of the HIV/AIDS infrastructure, particularly in communities of color, for women and nearly all HIV+ children. Nationally, 40% of people with HIV and 55% of people with AIDS are helped by Medicaid.

Recent data compiled by GMHC indicate that at least 42% of the \$1.82 billion in New York Medicaid spending on HIV/AIDS care is for "optional" services (like prescription drugs) that would be targeted by the Bush Medicaid Plan. Furthermore, Medicaid benefits would not have to be uniform statewide and could vary, by state design, from one locality to another. Such an approach to reform would exacerbate existing state-level and regional disparities in access to quality, comprehensive services.

According to Secretary Thompson, the Federal government would also "stop tying (the states') own hands" and allow them to make hard-hitting cuts and reductions in benefits with a minimum of oversight. Currently, states must seek a "waiver" from the Federal government to fundamentally alter the Medicaid program. This requirement would be eliminated under the Bush Medicaid Plan. David Wunsch, GMHC's Director of Health Policy says that waiver protections are as essential today as they were in 1996 when New York State took steps to require tens of thousands of HIV+ Medicaid beneficiaries to enroll in restrictive managed care. "Left to it's own devices, New York would have rushed head-long into limiting access to care for tens of thousands of HIV+ New Yorkers who could least afford it." Wunsch continues, "Instead, following federal intervention New York State made a mid-course correction and developed a national care model for PLWHIV/AIDS, the HIV Special Needs Plans, to be launched later this year." This model for HIV/AIDS care has at its heart many of the "optional" services like case management and care coordination the Bush Medicaid Plan allows states to eliminate or reduce.

(more)

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(Bush Medicaid Plan, p. 2)

Ronald Johnson, GMHC's Associate Executive Director, asks Secretary Thompson and Congress, who will be considering the Bush Medicaid Plan, not to forget about the unintended consequences of their actions. "Although the Bush plan calls for modest funding increases, eliminating entire groups of people and services from Medicaid will have a devastating long-term impact on the HIV/AIDS epidemic. Cuts to Medicaid means people living with HIV/AIDS will increasingly turn to Ryan White Care Act and AIDS Drug Assistance Program (ADAP) funded services. These programs are already stretched to their limits. If enacted, the Bush Medicaid Plan would be the straw that breaks the camel's back."

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Gay Men's Health Crisis (GMHC) is a not-for-profit, volunteer-supported and community-based organization committed to national leadership in the fight against AIDS. Our mission is to reduce the spread of HIV disease, help people with HIV maintain and improve their health and independence, and keep the prevention, treatment and cure of HIV an urgent national and local priority. In fulfilling this mission, we will remain true to our heritage by fighting homophobia and affirming the individual dignity of all gay men and lesbians. Please visit our website at www.gmhc.org.

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